

Bakery 3.0

Taste and Nutrition, The Future Of Bakery

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Bakery Journey



Bakery 1.0

Bread like Grandma
used to make!



But then there was that pesky Nutrition

An expanding waistline story



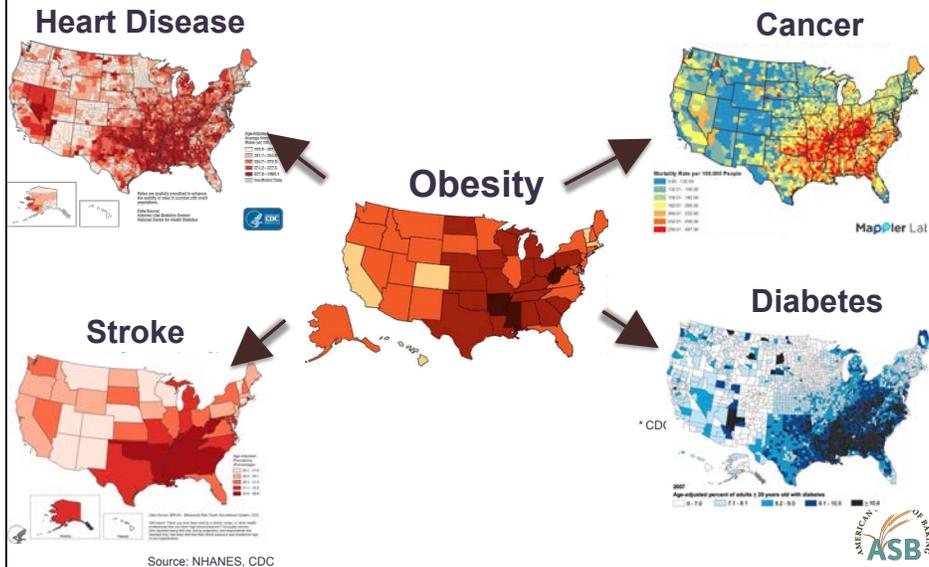
Prevalence of Obesity Among U.S. Adults Aged 20-74



Derived from NHANES data (http://www.cdc.gov/nchs/data/hestat/obesity_adult_09_10/obesity_adult_09_10.html#table1)



Obesity – Driver of Health Risks



Health Focused

Consumers are looking to have a balanced approach to health and wellness, and want to have greater control through the choices they make and visibility of what they consume.

91%
OF CONSUMERS
THOUGHT
ABOUT
HEALTHFULNESS
OF FOOD &
BEVERAGES



Top 10

Extremely to very important label claims in the U.S.

- GOOD SOURCE OF ANTIOXIDANTS – 40%
- HEART HEALTHY – 41%
- REDUCED/LOW SODIUM/LOW SALT – 42%
- HIGH PROTEIN – 42%
- HIGH FIBER – 43%
- GOOD SOURCE OF FIBER – 44%
- NO ARTIFICIAL SWEETENERS – 44%
- NO PRESERVATIVES – 45%
- WHOLE GRAIN – 48%

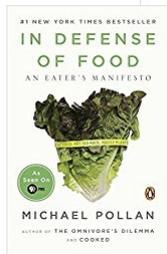


Source: Mintel Health & Wellness Report 2015, Mintel GNPD



Very Aware Consumers

Between the media's focus on the food industry and everyone's ability to "google" an ingredient they don't understand, we have a hyper aware society.



Source: Kerry MegaTrends Analysis, Fooducate.com



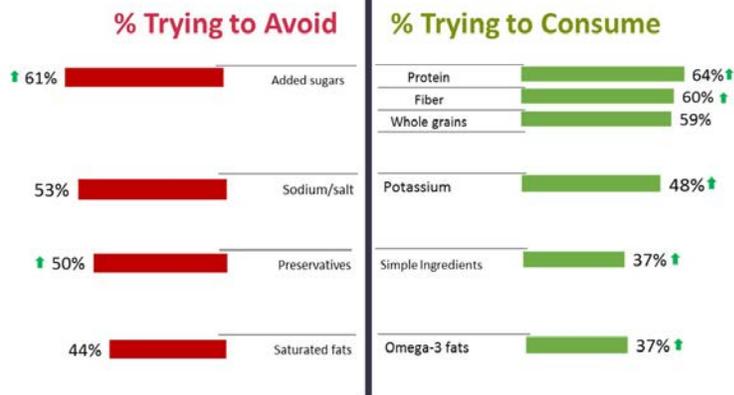
Is bread good for me?



- High in Sugar
- High in Salt
- Refined Flour
- Low in whole wheat and whole grains
- Gluten
- Overly Processed



Consumers Respond



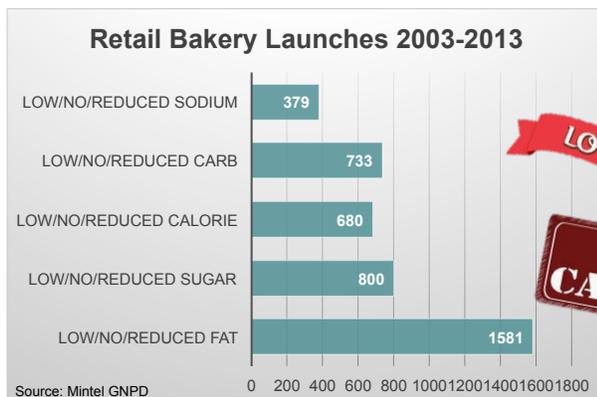
Bakery 2.0

A 'Better for You' Nutritious Bread



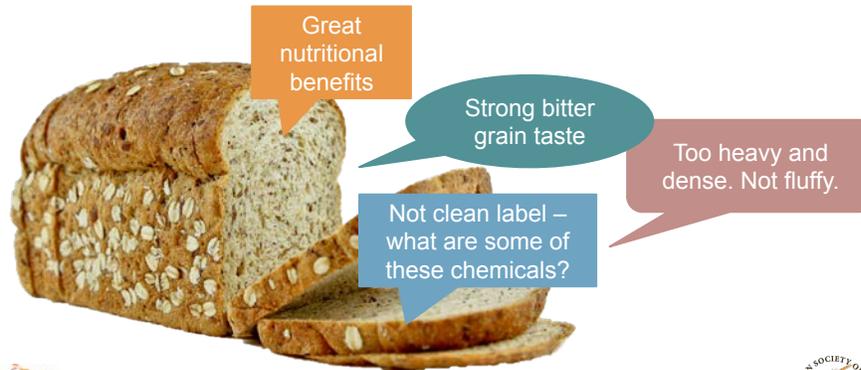
Bakery 2.0

Consumer and Industry Focus on Negative Nutrition



Bakery 2.0 Example

Whole grain fiber fortified sandwich bread
that delivers 45% the DV of fiber



Source: Influenster.com Consumer Ratings



HEALTH FOODS

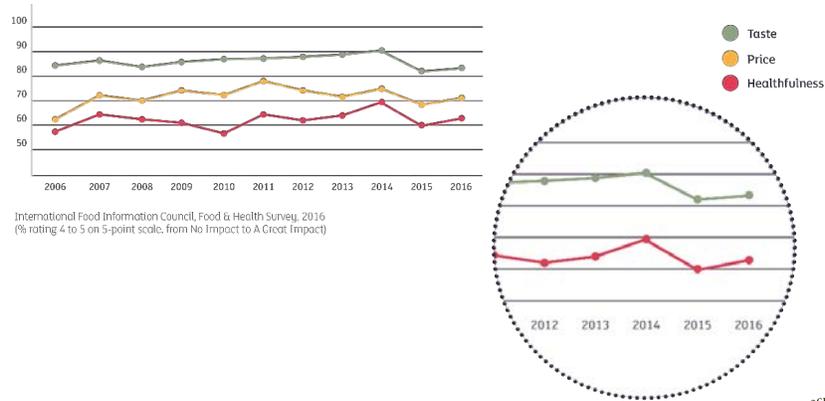


"DO YOU HAVE SOMETHING THAT'S GOOD FOR YOU, BUT TASTES LIKE IT'S BAD FOR YOU?"



Taste is #1

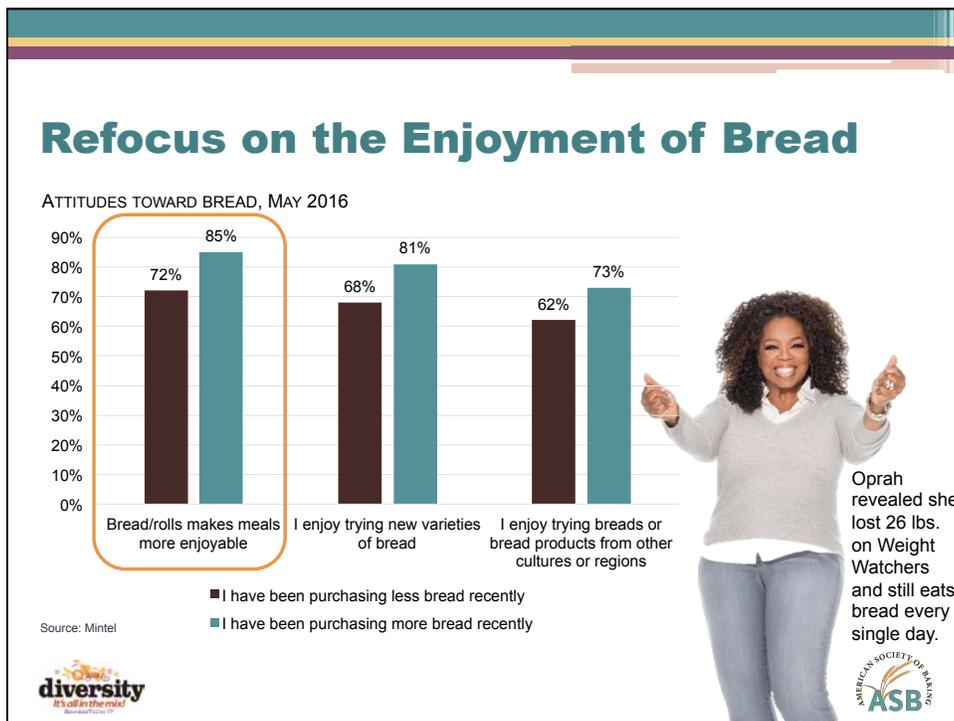
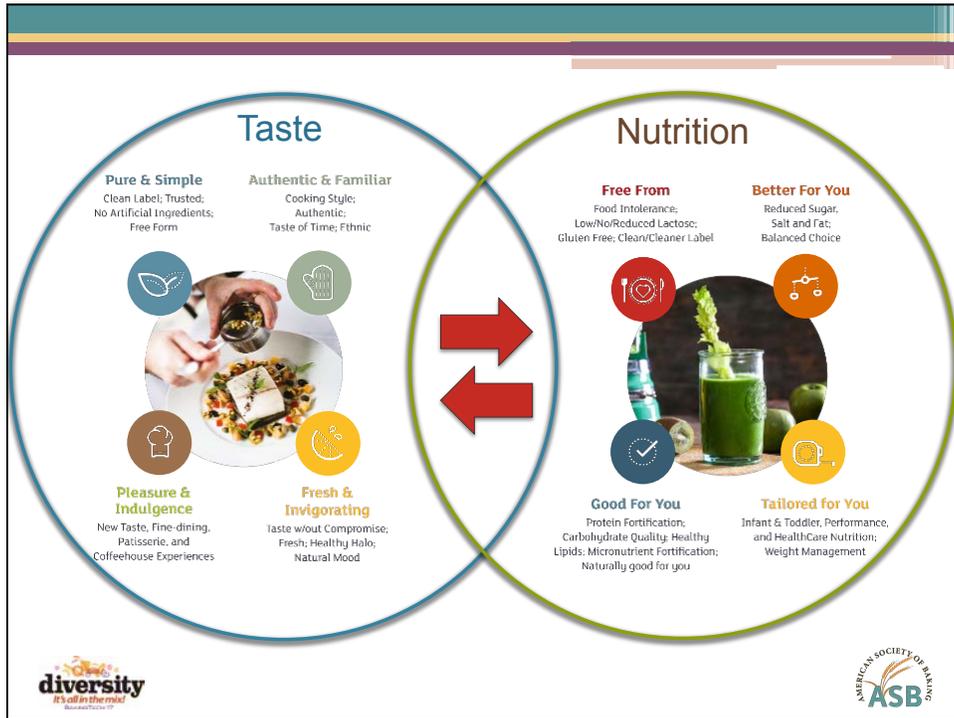
How much impact do these have on food/beverage purchase decisions?



Bakery 3.0

Taste & Nutrition working together





Positive Nutrition With Great Taste



Clean labels act as Welcome Mats



Clean labels are welcome mats for customers to stop and look



There are challenges...

- ✓ Taste & Texture Impacts from Nutrition Optimization
- ✓ Operational Hurdles with Allergen Concerns
- ✓ Clean & Clear Label Transition



Bakery 3.0 Examples with Technology Enablers



Fortified Whole Grain Bread



Challenges:

- Meet nutritional requirements for Good Source of Protein & Whole Grains
- Add functional ingredients without taste impact
- Achieve light & fluffy texture
- Clean Label
- No new allergens

Tool #1:
Enzymes to deliver improved whole grain taste, soft texture, and freshkeeping.

Tool #2:
Non-PHO emulsifiers, sunflower lecithin, and cultured ingredients can replace many common No-No's

Tool #4:
Flavor Modulators for masking of bitterness from whole grains & vegetable protein

Tool #3:
DHA & blended vegetable proteins for fortification



Achieve

Taste

Preferred Taste Profile
Soft Texture
Optimal Volume

Nutrition

Protein & Whole Grain Claims
Omega-3 Fortification
Allergen Friendly – No soy or dairy
Free From Claims



Cleaner Ingredient Deck :

- Removal of DATEM, SSL, and mono- & diglycerides
- Removal of calcium propionate
- Shorter Ingredient List



Sugar Reduced Cookies



Challenges:

- Reduce sugar without impacting taste
- No off-notes
- Optimal volume
- Soft & chewy texture



Tool #1:
High intensity sweetener (Stevia) paired with flavor modulators to mask bitter & licorice notes.

Tool #2:
Non-PHO emulsifiers & sunflower lecithin for optimal texture with a clean label

Tool #3:
Soluble fibers to build back bulk, viscosity, and mouthfeel




Achieve

Taste

Optimal sweetness level
Chewy texture
Better Volume

Nutrition

Sugar & calorie reduction
Fiber Fortified



Cleaner Ingredient Deck :

- Natural sweeteners
- Removal of chemical sounding additives



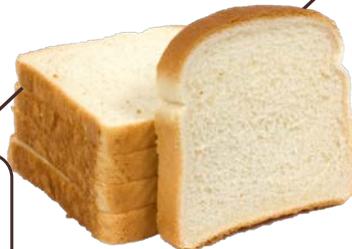

Gluten-Free Bread



Challenges:

- Achieve texture & volume comparable to conventional bread
- No off-notes
- Match fat & sodium levels of conventional bread

Tool #1:
Natural bread flavors & Flavor Modulators to mask musty off flavors from starches



Tool #4:
Fermentation technology to replace chemical preservatives

Tool #2:
Non-PHO & clean label texture systems to deliver a soft fluffy texture and expected volume.

Tool #3:
Innovation in formulation base and processing to meet nutritional and texture challenges



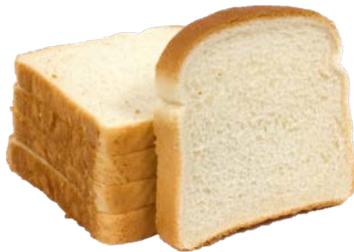
Achieve

Taste

Optimal volume
Soft sandwich bread texture
Preferred flavor

Nutrition

Lower fat & sodium levels than
other GF breads
Allergen Friendly
Free From Claims



Cleaner Ingredient Deck :

- Removal of DATEM, SSL, and mono- & diglycerides
- Removal of calcium propionate
- Shorter Ingredient List



Clean Label Premium Donut



Challenges:

- Remove artificial ingredients without impacting taste
- Clean up label
- Formulate with “real” from the source ingredients while maintaining consistency



Tool #1:
Clean label texture systems for softness and freshkeeping without common no-no's such as SSL and mono & diglycerides

Tool #2:
Non-PHO naturally colored & flavored toppings

Tool #3:
Cocoa extracts for a real chocolate claims & rich chocolate taste that delivers consistent taste & pricing.




Achieve

Taste

Rich chocolate taste
Soft texture
Visual Excitement

Nutrition

Natural Colors & Flavors
PHO-Free



Cleaner Ingredient Deck :

- Removal of SSL, and mono- & diglycerides
- Removal of sorbates
- Shorter Ingredient List




In Conclusion...

- Bakery 3.0 is all about delivery of authentic, healthy baked goods which meet consumer's demand for better tasting products.
- Innovation is the key to achieve Bakery 3.0
- Working together, we can deliver Bakery 3.0

